

Via Email and Electronic Comment Filing System

February 17, 2012

Sharon Gillett
Chief, Wireline Competition Bureau
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Rural Health Care Pilot Program, Docket No. 02-60
Status of Pilot Projects Transitioning to the Rural Health Care Primary Program

Dear Ms. Gillett:

Pursuant to a request from Federal Communications Commission (FCC) staff, USAC is providing information on the current status of projects in the Rural Health Care (RHC) Pilot Program (Pilot Program or RHCPP). Specifically, this letter provides information about Pilot Program participants that have or will soon exhaust their Pilot Program funding and are expected to begin requesting funding in the Primary Program. The information requested is provided below.

- There are approximately 484 individual RHC Pilot Program health care providers (RHCPP HCPs) participating in the Pilot Program that will exhaust all current Pilot Program monies allocated to them before or during Funding Year 2012 (July 1, 2012 to June 30, 2013).
- It is anticipated that 77.5 percent of RHCPP HCPs will stay in the Pilot Program after June 30, 2012. The remaining 22.5 percent of RHCPP HCPs are expected to transition from the Pilot Program to the Primary Program after June 30, 2012 if located in a rural area.
- Fourteen Pilot Program projects will have exhausted all Pilot Program funding allocated to some or all of their participating health care providers before or during Funding Year 2012 (July 1, 2012 to June 30, 2013).
- The estimated cost to fund both rural and urban HCPs in Funding Year 2012 that will have exhausted their Pilot Program funds is \$9,431,222. This cost estimate is calculated based on the yearly average amount of support for recurring costs that selected participants have received over the life of their Pilot Projects and funding the HCPs at the current 85% level in Funding Year 2012. USAC's projections are based on funding commitments issued and invoices paid as of February 16, 2012.

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Please contact me if you have questions concerning this information.

Sincerely,

/s/ Craig Davis
Vice President, Rural Health Care Division